During first six months of implementation of State VAT regime, the tax revenue of the VAT implementing States have shown an overall increase of around 14.3% as compared to the corresponding period of last year, which is higher than the compound annual growth rate of tax revenues of these States for the last 5-year period. This is based on the provisional figures of tax revenues made available by the States.

(d) and (e) Although it is difficult to segeregae the effect of VAT on the rate of inflation or the prices of various commodities (since the same is impacted by a large number of factors), it is noted that the overall annual rate of inflation on the basis of Wholesale Price Index (point-to-point basis) has declined from 5.7% for the week ended 02 April 2005 to 4.32% for the week ended 19 November 2005. In fact, the rate of inflation went down to 3.33% for the week ended 27 Aug. 2005 and the marginal increase in the rate thereafter is largely due to increase in the prices of petroleum products.

Loans for Building Houses in Urban Areas

†2932. SHRI KRIPAL PARMAR: Will the Minister of FINANCE be pleased to state:

(a) whether LIC Housing Finance Ltd., ICICI and HDFC Bank offer long term loan of minimum rupees five lakhs to buy plot and build houses in urban areas only;

(b) if so, the reasons for ban granting loan in rural areas whereas more than 70 per cent population of our country lives in villages;

(c) whether he will consider to issue directions to big housing finance companies and banks of public and private sector to grant long term loans of lower amount for the rural areas;

(d) if so, when and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) According to the information available from National Housing Bank, the housing finance portfolio of LIC Housing Finance Ltd. and ICICI Bank includes long term loans for purchase of plots and houses (both construction and ready purchase) in both urban and rural areas. The quantum of loan is decided on the repayment capacity

† Original notice of the Question was received in Hindi.

and the requirement of the borrowers. The HDFC Bank offers long term loans for purchase of plots and houses (both construction and ready purchase) in both urban and rural areas.

(c) and (d) In term of RBI instructions, Housing finance by banks can be either direct or indirect. Direct Housing Finance is provided to individuals or groups of individual including co-operative housing societies. The finance can be extended for buying/constructing a house in rural, semi-urban, urban or metropolitan area. Indirect Housing Finance is extended by banks by way of term loans to housing finance institutions, housing boards, other public housing agencies, etc.

Harassment of Passengers at Karipur Airport in Kerala

2933. SHRI A. VIKJAYARAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether any action is taken against customs officials on complanits/ reports of corruption, grafting etc. on the alleged harassment of passengers in Karipur airport located in Kerala.

(b) if so, the details thereof including number of cases registered, officials *prima-facie* involved, and charges leveled as on today, category-wise;

(c) the details of assets of these official observed/recorded and details irregularities/graft found to be received as on today; and

(d) the number of cases registered and officials charged on above charges in various airports of Kerala during last three years, year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Yes, Sir. On receipt of complaints of alleged harassment & misbehaviour, an Inspector of Customs has been transferred our of the Air Customs Karipur to a non-sensitive assignment by the department during 2005. CBI has also registered two cases against officers of Customs during the year 2005. 3 Customs officers (2 Inspector and 1 Head Hawaldar) arrested in the CBI case have been placed under suspension. Two of these officers have intimated transactions in immovable assests under the provision of CCS (Conduct) Rules, 1964.